

SatMagazine

SatMagazine presents the annual opportunity for companies within the various SATCOM industries and market segments to inform all of our readers of the challenges and successes they faced during 2011. Many wrote extensively of their efforts — this a review of the past year for these companies in the words of a member of their executive team. This also proved to be a most auspicious editorial event as several prognosticate their views for 2012 and beyond....

Thanks to all who participated in the 2011 Year In Review issue of SatMagazine.

Note: Company presentations are published in alphabetical order. For additional information on the companies, select their "hot-linked" logo.

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Hughes Communications

by Pradman P. Kaul, President + CEO

For Hughes, 2011 was a transformational year. In a transaction approved by regulatory authorities in June, EchoStar Corporation (NASDAQ:SATS) acquired all the assets of Hughes Communications, Inc. Known as a leader in satellite operations and digital TV solutions, EchoStar complements Hughes as the world's leading provider of satellite broadband technologies and services for home and office. The goal is to build on our respective strengths to make the collective sum greater than that of its parts, and create a global powerhouse in satellite-based digital video and broadband solutions and services.

We've already initiated a number of exciting joint projects, such as leveraging EchoStar's AMC 15 Ka-band satellite for our HughesNet® consumer service in North America to increase profitability — and it is very timely, as our SPACEWAY® 3 satellite is filling up quickly, now serving more than 70 percent of the total 620,000 subscriber base. Having the EchoStar satellites available for our booming consumer business is advantageous as we await JUPITER™, our next-generation, 100Gbps high-throughput satellite, which I'm happy to report remains on schedule to be launched in the first half of 2012.

As part of the EchoStar team, we're also helping Dish Network implement a Blockbuster strategy to bring movies-on-demand via streaming over our HughesNet service. In addition, we're working with EchoStar and Deluxe Digital Cinema on a new venture to launch a satellite distribution network for delivering digital cinema content to digitally equipped theaters in the U.S. and Canada. The venture, known as Deluxe EchoStar, LLC, has already signed several of the top ten theater exhibitors in North America — Hughes is well on the way to completing satellite installations for several thousand digital screens. The new system, which consists of a two-way broadband satellite terminal and additional theater-specific receiver equipment, enables sending movies and trailers directly to theaters, making reels of film a thing of the past. The satellite network also supports a growing Live Event business for patrons to enjoy content such as live concerts and sporting events in the comfort of their local theater.

Another project is to integrate Hughes into a wholesale Dish Network offering, which will bundle our HughesNet service on a wholesale basis for Dish distributors and resellers, leveraging that extensive network to sell our high-speed satellite Internet service. We expect that the volume of new HughesNet subscribers signed up by Dish Network will be significant, and represents one of the most effective ways to fill up our JUPITER satellite next year.

Our domestic and international businesses performed well in 2011, with the HughesNet consumer business continuing to lead the way, surpassing 620,000 subscribers in North America as I mentioned earlier, making it the world's largest satellite Internet service and we qualified under the U.S. broadband stimulus program in less than a year after its launch in late October 2010 — for which Hughes was granted the largest satellite provider award of \$58.7M.

Our SPACEWAY 3 satellite system is opening the way to bring affordable broadband to a large consumer and small business market unserved or underserved by terrestrial technologies. Notably, we recently completed shipments to Yahsat for the first four gateways and initial terminals of their major Ka-band initiative, helping them prepare for their service launch early next year across the Middle East and Africa regions; and in Europe we've supplied the network gateways and are well underway delivering Avanti an initial 50,000 Ka-band terminals as they build out their subscriber base on their Hylas 1 satellite, with Hylas 2 expected next year.

Domestically, we introduced several new offerings for the large enterprise market this year, including Hughes Cloud Services & Hosting solution, which provides businesses of any size in any industry with a comprehensive cloud solution platform. Our new Digital Concierge service for the hotel industry helps hoteliers enhance the guest experience with touch-screen kiosks while making employees more productive. Plus the Hughes Learning Portal has become a comprehensive training management solution that encompasses every corporate learning activity from online tutorials to classroom instruction.

I'm delighted to report that we received several prestigious industry awards this year recognizing our success, including Euroconsult's "Broadband Satellite System Award for 2011" and the Society of Satellite Professionals International (SSPI) "Promise Award." Moreover, our Indian subsidiary, Hughes Communications India Ltd. (HCIL), was honored with two awards, "Top VSAT Operator in India" from Voice & Data, published by Cybermedia, and "Best VSAT Operator in India" at the Telecom Operator Awards in March.

We eagerly look forward to the launch of JUPITER in the first half of next year. Designed with over 100 Gbps of Ka-band capacity, JUPITER is a true game-changer that will further fuel our burgeoning HughesNet consumer business in North America. Our continued success always comes down to the innovative spirit and quality of our people, who are our most important asset. In addition, the broad skill set and experience base of our combined companies sets us apart in the industry and bodes well as we build the future together.

